

8521 Gardena Rd

Investment Property - Buy & Hold

8521 Gardena Rd, Lakeside, CA 92040
House · 2 Beds · 1 Baths · 750 Sq.Ft.

\$ 466,800 Purchase Price · \$ 466,800 ARV

\$ 149,376 Cash Needed · -\$ 612/mo Cash Flow · 2.2% Cap Rate · -4.9% COC



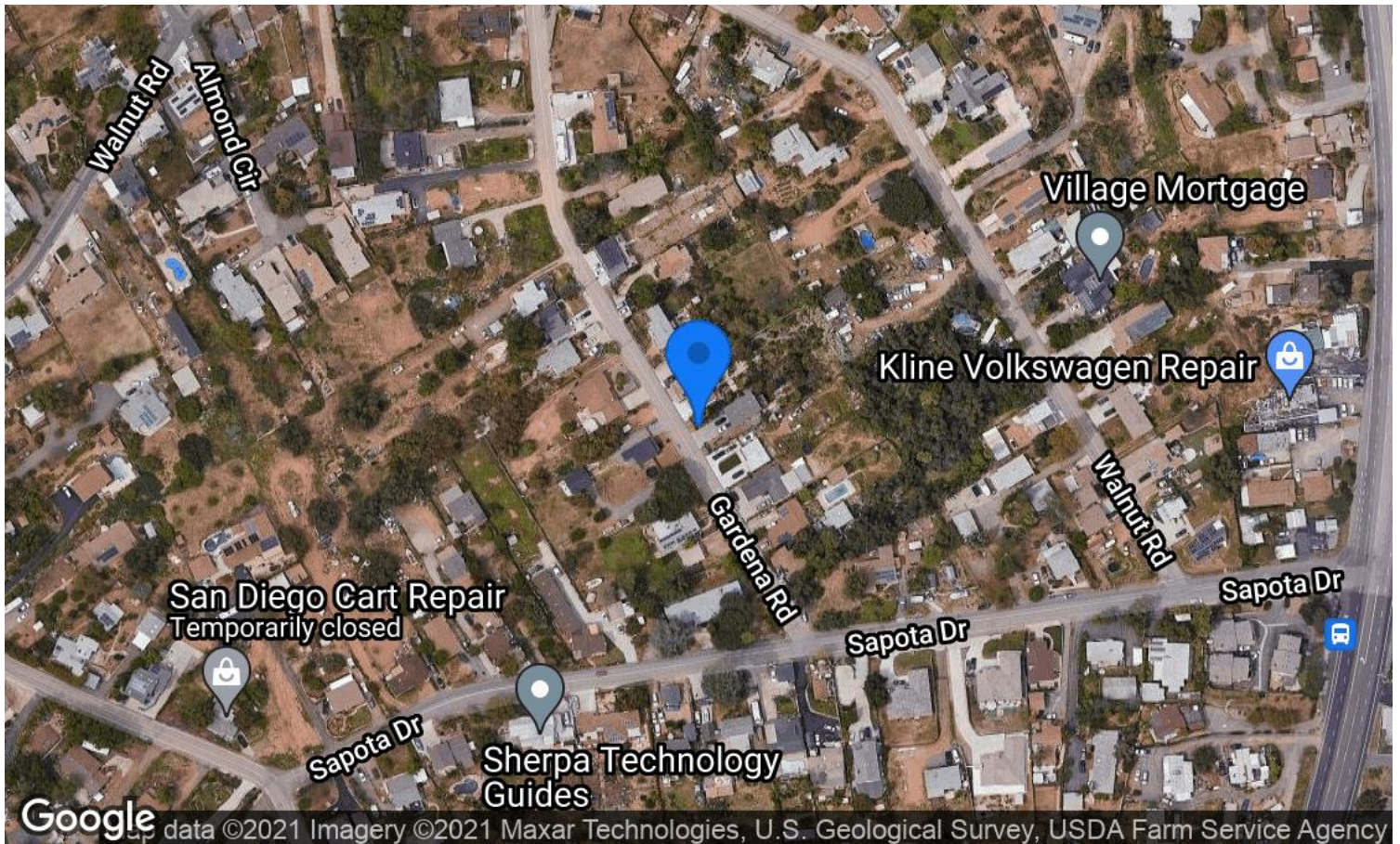
Property Description

ADDRESS

8521 Gardena Rd
Lakeside, CA 92040

DESCRIPTION

Property Type:	House
Beds / Baths:	2 BR / 1 BA
Square Footage:	750
Year Built:	1954
Parking:	
Lot Size:	10,454 sq.ft.
Zoning:	1 - SINGLE FAMILY RESIDENTIAL
MLS Number:	210003637



Purchase Analysis & Returns

PURCHASE

Purchase Price:		\$ 466,800
Amount Financed:	-	\$ 326,760
Down Payment:	=	\$ 140,040
Purchase Costs:	+	\$ 9,336
Rehab Costs:	+	\$ 0
Total Cash Needed:	=	\$ 149,376
After Repair Value:		\$ 466,800
Price Per Square Foot:		\$ 622.4

FINANCING (PURCHASE)

Loan Type:	Amortizing
Loan Amount:	\$ 326,760
Loan to Cost (LTC):	70%
Loan to Value (LTV):	70%
Loan Term:	30 Years
Interest Rate:	3.5%
Finance Rehab Costs:	No
Loan Payments:	\$ 1,467 Per Month \$ 17,608 Per Year

RETURNS & RATIOS (Year 1)

Cap Rate (Purchase/Market):	2.2% / 2.2%
Cash on Cash Return:	-4.9%
Return on Equity:	-4.5%
Return on Investment:	-14%
Internal Rate of Return:	-14%
Rent to Value:	0.4%
Gross Rent Multiplier:	20.47
Equity Multiple:	0.86
Break Even Ratio:	127.2%
Debt Coverage Ratio:	0.58
Debt Yield:	3.1%

ASSUMPTIONS & PROJECTIONS

Rehab Cost Overrun:	0%
Vacancy:	5%
Appreciation:	4% Per Year
Income Increase:	3% Per Year
Expenses Increase:	2% Per Year
Selling Costs:	6% of Sales Price
Depreciation Period:	27.5 Years
Land Value:	\$ 109,892

PURCHASE COSTS

Total (2% of Price):	\$ 9,336
-----------------------------	-----------------

REHAB COSTS

Rehab Costs:	\$ 0
Cost Overrun:	\$ 0 (0%)
Total:	\$ 0
Total Per Square Foot:	\$ 0

Cash Flow (Year 1)

		Monthly	Yearly
CASH FLOW			
Gross Rent:		\$ 1,900	\$ 22,800
Vacancy (5%):	-	\$ 95	\$ 1,140
Other Income:	+	\$ 0	\$ 0
Operating Income:	=	\$ 1,805	\$ 21,660
Operating Expenses (52.6%):	-	\$ 950	\$ 11,400
Net Operating Income:	=	\$ 855	\$ 10,260
Loan Payments:	-	\$ 1,467	\$ 17,608
Cash Flow:	=	-\$ 612	-\$ 7,348

		Monthly	Yearly
OTHER INCOME			
Total:		\$ 0	\$ 0

		Monthly	Yearly
EXPENSES			
Total (50% of Rent):		\$ 950	\$ 11,400

Buy & Hold Projections

	APPRECIATION 4% Per Year	INCOME INCREASE 3% Per Year	EXPENSES INCREASES 2% Per Year	SELLING COSTS 6% of Price		
	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
INCOME						
Gross Rent:	\$ 22,800	\$ 24,189	\$ 25,662	\$ 29,749	\$ 39,980	\$ 53,730
Vacancy (5%):	- \$ 1,140	- \$ 1,209	- \$ 1,283	- \$ 1,487	- \$ 1,999	- \$ 2,687
Other Income:	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0	+ \$ 0
Operating Income:	= \$ 21,660	= \$ 22,980	= \$ 24,379	= \$ 28,262	= \$ 37,981	= \$ 51,043
EXPENSES						
Total Expenses:	\$ 11,400	\$ 12,095	\$ 12,831	\$ 14,875	\$ 19,990	\$ 26,865
Operating Expenses:	= \$ 11,400	= \$ 12,095	= \$ 12,831	= \$ 14,875	= \$ 19,990	= \$ 26,865
CASH FLOW						
Operating Income:	\$ 21,660	\$ 22,980	\$ 24,379	\$ 28,262	\$ 37,981	\$ 51,043
Operating Expenses:	- \$ 11,400	- \$ 12,095	- \$ 12,831	- \$ 14,875	- \$ 19,990	- \$ 26,865
Net Operating Income:	= \$ 10,260	= \$ 10,885	= \$ 11,548	= \$ 13,387	= \$ 17,991	= \$ 24,178
Loan Payments:	- \$ 17,608	- \$ 17,608	- \$ 17,608	- \$ 17,608	- \$ 17,608	- \$ 17,608
Cash Flow:	= -\$ 7,348	= -\$ 6,723	= -\$ 6,060	= -\$ 4,221	= \$ 383	= \$ 6,570
TAX BENEFITS & DEDUCTIONS						
Operating Expenses:	\$ 11,400	\$ 12,095	\$ 12,831	\$ 14,875	\$ 19,990	\$ 26,865
Loan Interest:	+ \$ 11,337	+ \$ 10,883	+ \$ 10,396	+ \$ 9,019	+ \$ 5,426	+ \$ 329
Depreciation:	+ \$ 13,318	+ \$ 13,318	+ \$ 13,318	+ \$ 13,318	+ \$ 13,318	+ \$ 0
Total Deductions:	= \$ 36,055	= \$ 36,296	= \$ 36,545	= \$ 37,212	= \$ 38,734	= \$ 27,194
EQUITY ACCUMULATION						
Property Value:	\$ 485,472	\$ 525,087	\$ 567,934	\$ 690,978	\$ 1,022,816	\$ 1,514,018
Loan Balance:	- \$ 320,489	- \$ 307,270	- \$ 293,094	- \$ 253,000	- \$ 148,383	- \$ 0
Total Equity:	= \$ 164,983	= \$ 217,817	= \$ 274,840	= \$ 437,978	= \$ 874,433	= \$ 1,514,018
SALE ANALYSIS						
Equity:	\$ 164,983	\$ 217,817	\$ 274,840	\$ 437,978	\$ 874,433	\$ 1,514,018
Selling Costs (6%):	- \$ 29,128	- \$ 31,505	- \$ 34,076	- \$ 41,459	- \$ 61,369	- \$ 90,841
Sale Proceeds:	= \$ 135,855	= \$ 186,312	= \$ 240,764	= \$ 396,519	= \$ 813,064	= \$ 1,423,177
Cumulative Cash Flow:	+ -\$ 7,348	+ -\$ 21,111	+ -\$ 33,568	+ -\$ 58,462	+ -\$ 76,474	+ -\$ 40,123
Total Cash Invested:	- \$ 149,376	- \$ 149,376	- \$ 149,376	- \$ 149,376	- \$ 149,376	- \$ 149,376

	Year 1	Year 3	Year 5	Year 10	Year 20	Year 30
Total Profit:	= -\$ 20,869	= \$ 15,825	= \$ 57,820	= \$ 188,681	= \$ 587,214	= \$ 1,233,678

INVESTMENT RETURNS

Cap Rate (Purchase Price):	2.2%	2.3%	2.5%	2.9%	3.9%	5.2%
Cap Rate (Market Value):	2.1%	2.1%	2%	1.9%	1.8%	1.6%
Cash on Cash Return:	-4.9%	-4.5%	-4.1%	-2.8%	0.3%	4.4%
Return on Equity:	-4.5%	-3.1%	-2.2%	-1%	0%	0.4%
Return on Investment:	-14%	10.6%	38.7%	126.3%	393.1%	825.9%
Internal Rate of Return:	-14%	3.3%	6.3%	7.6%	7.3%	6.9%

FINANCIAL RATIOS

Rent to Value:	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
Gross Rent Multiplier:	21.29	21.71	22.13	23.23	25.58	28.18
Equity Multiple:	0.86	1.11	1.39	2.26	4.93	9.26
Break Even Ratio:	127.2%	122.8%	118.6%	109.2%	94%	82.8%
Debt Coverage Ratio:	0.58	0.62	0.66	0.76	1.02	1.37
Debt Yield:	3.2%	3.5%	3.9%	5.3%	12.1%	-

Recent Comparable Sales

Average Sale Price

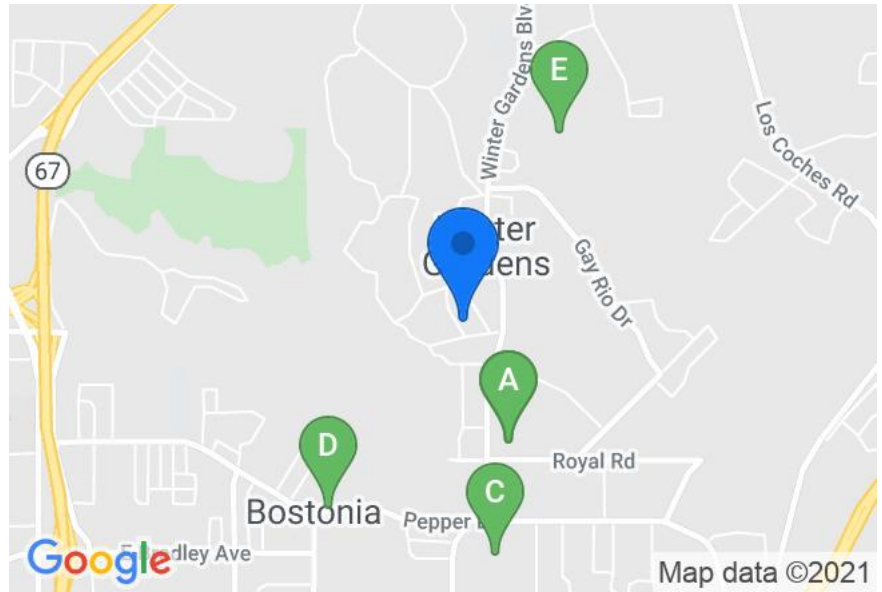
\$ 67,900 (\$ 82/sq.ft.)

\$ 29,900 - \$ 120,000

\$ 42/sq.ft. - \$ 121/sq.ft.

Estimated Property ARV Based on
Average Price/Sq.Ft.

\$ 61,134



Property	Distance	Type	Beds	Baths	Sq.Ft.	Sale Price	Sale Date
● 8521 Gardena Rd Lakeside, CA 92040	0 mi	House Built 1954	2	1	750	-	-
A 12044 Royal Rd, Spc 18 El Cajon, CA 92021	0.79 mi	House	2	1	728	\$ 42,000 \$ 57.69/sq.ft.	04/09/2021
B 12044 Royal Rd, Spc 64 El Cajon, CA 92021	0.79 mi	House	2	1	800	\$ 57,700 \$ 72.13/sq.ft.	10/29/2020
C 1315 Pepper Dr, Spc 69 El Cajon, CA 92021	1.43 mi	House	2	1	744	\$ 89,900 \$ 120.83/sq.ft.	01/16/2021
D 1120 Pepper Dr, Spc 105 El Cajon, CA 92021	1.36 mi	House	2	1.5	720	\$ 29,900 \$ 41.53/sq.ft.	11/20/2020
E 9100 Single Oak Dr, Spc 59 Lakeside, CA 92040	1.29 mi	House	2	1	1,040	\$ 120,000 \$ 115.38/sq.ft.	04/20/2021

Recent Comparable Rental Listings

Average Listed Rent

\$ 2,016 (\$ 2.26/sq.ft.)







\$ 1,675 - \$ 2,495

\$ 1.85/sq.ft. - \$ 2.65/sq.ft.

Estimated Property Rent Based on
Average Rent/Sq.Ft.

\$ 1,695



Property	Distance	Type	Beds	Baths	Sq.Ft.	Listed Rent	Listing Date
 8521 Gardena Rd Lakeside, CA 92040	0 mi	House Built 1954	2	1	750	-	-
 13096 Aurora Dr El Cajon, CA 92021	2.43 mi	House	2	1	720	\$ 1,795 \$ 2.49/sq.ft.	11/18/2020
 9268 Hightop Ter Lakeside, CA 92040	1.78 mi	House	2	1	1,234	\$ 2,288 \$ 1.85/sq.ft.	12/18/2020
 1328 Naranca Ave El Cajon, CA 92021	3.04 mi	House	3	1	820	\$ 1,825 \$ 2.23/sq.ft.	12/10/2020
 1630 N Mollison Ave El Cajon, CA 92021	2.08 mi	House	3	1	942	\$ 2,495 \$ 2.65/sq.ft.	12/18/2020
 745 E Bradley Ave, Unit 34 El Cajon, CA 92021	2.16 mi	Condo	2	1	806	\$ 1,675 \$ 2.08/sq.ft.	02/27/2021

Property Photos



Disclaimer

This Report is provided solely for general business information purposes. No advisory, fiduciary or other relationship is created by any acceptance or use of this Report.

The inclusion of this Report with any other materials does not constitute an endorsement by DealCheck of any third party or any third party's products or services. The projected valuation, financial and investment return information, conclusions and other information contained in this Report are based upon tested methodologies for accuracy. However, such information and conclusions are not definitive forecasts, appraisals or opinions of valuations. All such information and conclusions are stated in terms of probability of likelihood based on market factors and information submitted to DealCheck, and such information and conclusions are not guaranteed by DealCheck and should not be construed as a certified appraisal or valuation, or investment advice.

DealCheck uses or has used public and/or confidential data and assumptions provided to DealCheck by third parties, and DealCheck has not independently verified the data and assumptions used in these analyses or data sets. Attributes for properties may be inaccurate because county assessor and property data does not always include recent additions and/or modifications to property structures. Changes in the underlying data or operating assumptions, or any loss of access to any one or more sources will clearly impact the analyses, information and conclusions set forth in this Report.

DATA SOURCES

Comparable sales information and property data is collected from public county records.

Comparable rental listings data provided by © RentCast, 2020-2021. Use is subject to RentCast's [Terms of Use](#).